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AN OPEN LETTER

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JUL 25 1926

AN OPEN LETTER
TO OTTO T. BANNARD, '76
FROM PRESIDENT ANGELL

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JUL 25 1928
UNIVERSITY OF ILLINOIS

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YALE UNIVERSITY
NEW HAVEN CONNECTICUT

OFFICE OF THE PRESIDENT

February 16, 1926.

My dear Mr. Bannard:

IN accordance with your request and my promise, I write to outline the situation which has compelled Yale to seek additional endowment of \$20,000,000. I am attaching to this letter a budgetary statement covering the proposed allocation of this fund to the different branches of the University.

Yale has before it the opportunity to render an educational service of incalculable value to our country. Our student body represents the soundest strains in American life. Our faculties, already distinguished, have been recruited in the last few years with outstanding scholars and scientists, and the teaching has never been better. During the past six years we have received notable additions to our physical resources.

While we still have important building needs, it is safe to say that the average Yale student of today, particularly in the College, the Scientific School and the Freshman Year, has the use of dormitory accommodations, physical training quarters, classroom and laboratory facilities far beyond those available for the student in any previous period in Yale's history.

A
Magnificent
Educational
Opportunity.

An Unsound
Fiscal
Situation. Unfortunately, we are prevented by the insufficiency of our endowment from taking full advantage of our educational opportunity. Due to the growth of our student body and faculty and the generally increased cost of living, our annual expenditures since the War have mounted far more rapidly than the income from our endowment. We must increase our endowment sufficiently to enable us to straighten out this situation and to finance a comprehensive program for bringing every department of our work up to the highest standard of educational excellence.

In 1919 our student enrollment, due to the War, was only 2416. In 1925 our student body numbered 4445, an increase of about eighty-four per cent since the War, and an increase of thirty-three and one third per cent over the highest previous enrollment in Yale's history (in 1915). This increase was not deliberately sought, but resulted from the greatly enlarged number of applicants with which Yale, in common with every educational institution in the United States, was flooded following the World War. It seemed obligatory that Yale should do its share in meeting this unprecedented national demand for higher education, particularly since the majority of the applicants were of an unusually high type.

This eighty-four per cent increase in enrollment since the War was accompanied by a seventy-four per cent increase in our endowment resources. In 1919 the total productive endowment of the University was \$23,283,121. In 1925 it had risen to \$41,646,983, as compared with Harvard's endowment of over \$69,000,000. But the purchasing power of the dollar has diminished to such an extent that our gain in productive

endowment is proportionally far less than our gain in enrollment and physical resources.

As a result of sharply advanced salaries all along the line and higher prices for all services, our annual expenditures, despite the practice of the utmost economy, have more than doubled during this period. In 1919 our expenditures were \$1,982,864. In 1925 they were \$4,348,563. (In the same year Harvard's expenditures were reported to be more than \$6,500,000 and Columbia's expenditures more than \$10,000,000.)

Thus while our productive endowment has increased seventy-four per cent since the War, our annual expenditures have increased more than one hundred and nineteen per cent. The result is that the University is not able to live within its income from tuition and endowment, and, were it not for the support of the alumni, would incur a large annual deficit. This fact has for some years given me increasing concern.

A sound fiscal policy demands, in my judgment, that a University should live within its income without depending too largely on annual gifts for current expenses. No well ordered program can be carried on in the face of the limitation and uncertainty caused by the threat of a large annual deficit.

A University
Should Live
Within Its
Income.

Ever since the War our major reliance for averting a deficit has, as you know, been the annual gifts of the alumni through the Alumni Fund. In the year 1918-1919, when the University was faced with a grave economic crisis due to price increases running up often as much as one hundred per cent over the pre-war level, the alumni came to our aid in a manner that was heartening to the University authorities in the

deepest degree. In that year, influenced largely by the extraordinary energy and devotion of the men in charge of the Fund, they added to the principal of the Alumni Fund the sum of \$333,648, and gave \$304,294 to Yale's income. Since then they have continued to contribute with a loyalty and on a scale which has been the envy of other universities. While their annual gifts to principal have decreased, the gifts to income have remained nearly the same. These annual contributions of our alumni constitute one of the great assets of the University not only financially but particularly from a moral point of view.

Nevertheless, it has long been my feeling that an undue degree of dependence on the generosity of our alumni to prevent annual deficits is unwholesome, both for them and for us. While I take no exception to a portion of their annual contributions going to meet current expenses, I feel that this should never be so large a fraction of the necessary University income as to introduce a dangerous uncertainty as to our ability to close any year with a balanced budget. I am quite clear that Yale would make more sustained progress if the mass of these annual gifts were directed either to the increase of the principal of the Alumni Fund or to finance essentially new projects representing improvements in the methods by which the University carries on its work.

The need for support of this kind is permanent and pressing. A university which is not perpetually improving is, if not dead, at least moribund. The additional endowment which we seek will enable the University, to a much larger extent than ever before, to apply the Alumni Fund to these constructive purposes.

In the conduct of our work we are committed to a program of bringing every department up to the highest standard of educational excellence. This means that we must pay more nearly adequate salaries to our teachers, that we must substantially increase the number of our faculty, and that we must provide greater facilities for the library, for scientific research and for publication. We must do this not only in order that we may provide the best facilities for our students, but also in order that we may secure and retain the best teachers in every field.

A Survey of
Our Educa-
tional Needs.

I fully realize the responsibility involved in appealing to the alumni and other friends of Yale to support a program calling for additional resources of twenty million dollars. But I would be assuming a far greater responsibility did I not take all those who have at heart the welfare of Yale fully into my confidence regarding the exact situation at the University. The sum in question will enable us to meet only our bare minimum educational needs. It is based upon detailed estimates made by the chairmen of the different departments. These estimates have been analyzed and checked by the several Deans and assembled and harmonized by the Provost. They represent a forecast of what will be required in the normal development of the policies of education now in effect or in definite contemplation rather than for purposes of expansion into new fields of activity.

The greater part of this increased endowment is needed for a two-fold purpose, the importance of which I cannot too strongly emphasize—namely, to provide more nearly ade-

To Pay More
Nearly
Adequate
Salaries to
Our Teachers.

quate compensation to our teachers, and to increase their number.

The obligation to pay adequate salaries to our teachers is not only a matter of simple fairness to those whom we have entrusted with the high responsibility of molding the mind and character of our students, but is indispensable to the continued excellence of our educational work. (The lower rank of our teachers receive salaries which compare unfavorably with those of manual labor.) We must be in a position to promote, within a reasonable length of time, men who have demonstrated their merit to a level of compensation which will permit them to live in comfort and dignity.

Such men are constantly receiving attractive offers from other universities, and if we do not advance their salaries they can remain with us only at a personal sacrifice which we have no right to ask. We cannot let them go without destroying the morale of our teaching force and the quality of our teaching.

Salaries at Yale are somewhat lower than those at certain other universities. For example, our most highly paid men receive salaries as large as those paid at Harvard, but Harvard has many more men on the highest level and the lower ranks are appreciably better paid than our own. This is true all the way from the instructor grade up. Experience shows that we are not always in a position to hold our own either in getting or in keeping the men of highest distinction, so far as salary considerations affect the matter.

Our salaries should be such that we are in a position to provide teachers of outstanding ability in every grade for all our students.

The obligation to increase the number of the faculty is dictated by the necessity of maintaining a sound ratio between the number of students and the number of the faculty. On the adequacy of our supply of teachers depends our ability to make available to each student the measure of faculty attention necessary for his highest educational development. The recent movement in American education has been steadily toward smaller instructional groups, and we are committed to this policy at Yale.

To Increase
the Number of
Our Faculty.

The Corporation several years ago decided on a policy of strict limitation of attendance—combined with intensive improvement of the quality of the University's work. Attendance in the Freshman Year has been limited to 850, thus restricting the enrollment of the College and of the Sheffield Scientific School; total attendance in the School of Medicine has been limited to 200, in the Department of Architecture to 95, and attendance in other professional schools will be limited in the near future.

Attendance
Limited,
Tuition
Increased.

In the belief that the student body should bear as large a share of the burden of University expenses as it can without undue hardship, the Corporation increased tuition rates in the undergraduate schools from \$250 to \$300 in 1920, and from \$300 to \$350 in 1926. Simultaneously, the University has increased its scholarship awards in order to maintain the traditional opportunity for the student of moderate means to make his way at Yale.

As a further step to restrict overhead costs from mounting unduly, the Corporation has adopted the policy of accepting no gifts of buildings unless they are accompanied by an ade-

quate endowment for maintenance. While this does not entirely eliminate the increase of operating expense caused by the erection of new buildings (excepting for dormitories, which are income producing) it very materially reduces it.

The Status of
the Sterling
Bequest.

Before discussing the steps taken in reaching our decision to make a wide-spread appeal to our alumni and friends for additional endowment, I should like to clear away a misapprehension which many alumni seem to have regarding the resources still to be expected from the bequest of the late John W. Sterling, '64.

The Sterling Bequest was, as you know, designed primarily to provide new buildings for the University. Under the terms of the will, however, the Trustees have the authority in their discretion to add "to some extent" to our endowment for the "foundation of scholarships, fellowships, and lectureships, the endowment of new professorships, and the establishment of special funds for prizes." This the Trustees have generously done from time to time. It will be seen, however, that this great legacy is largely restricted in its provisions.

Should any further grants be made for these special purposes, they will be usefully absorbed in meeting needs not included in the budgetary statement, which covers only the minimum requirements of the University.

Alumni
Leaders
Endorse
Appeal for
Endowment.

When, about a year ago, I became aware of the extent of our needs, although the precise figure had not then been determined, I decided, as you know, to consult with a number of leaders of our alumni and secure their advice as to whether it would be proper to make a general appeal for a substantial addition to our endowment funds.

I was led all the more to take this step because I foresaw a very real danger—namely, that if such an appeal should actually be made, it might, unless care were taken, conflict with and perhaps injure the operation of the Alumni Fund, which of course must be preserved in full integrity because of its indispensable service to Yale.

Accordingly I laid the whole problem before a representative group of our alumni, including several recent chairmen of the Alumni University Fund Association. After making a detailed statement of our situation, I asked them first, whether it was wise to undertake a financial campaign; if so, whether this was the time; and third, if such a campaign were entered upon, whether it would be apt to jeopardize the vitality of the Alumni Fund. The response was practically unanimous that it was desirable to initiate a campaign of this character and that, because of favorable economic conditions, it ought to be done as soon as possible; and finally, the unanimous judgment of the representatives of the Alumni Fund Association who were present was that any possible decrease in gifts to the Fund for a year or two would be more than made up afterwards as a result of the educational value of the campaign itself.

I therefore came out of this alumni meeting with a very enthusiastic endorsement of the idea of making a widespread public appeal for whatever sum might be determined upon.

I personally believe that the present time offers us a remarkable opportunity to establish Yale in a sound financial position. The American people have never before shown so wide and far-sighted an interest in higher education. Not only

The Century
of University
Endowment.

have there been new colleges established by the score within the last fifty years, but the great state universities have, in this period, come into unprecedented power and importance. Perhaps most striking of all has been the creation of a group of great universities founded by private benefaction on a scale never before attempted. Cornell, Johns Hopkins, Stanford, Chicago and recently Duke University in North Carolina represent an entirely new chapter in American history. The older foundations like Yale and Harvard and Princeton and Columbia have likewise been the beneficiaries of a generosity previously unknown. At the present time Princeton is engaged in an effort to secure twenty million dollars which is well on its way to completion, while Harvard has just recently succeeded in adding twenty-five million dollars to her resources.

Hundreds of millions of dollars have gone into higher education in this period. So generously have our people given to these institutions that the last half of the nineteenth century and the first half of the twentieth century may well come to be characterized in history as the great period of university endowment in the United States. The conditions resemble those of the fifteenth and sixteenth centuries. Both on the continent and in England there have been periods of great interest in the universities during which they flourished and grew in power, followed by periods of almost total apathy. If we neglect our present opportunity, we may later suffer from a similar shift of public interest to other social enterprises, to the grave disadvantage of Yale.

During the years to come the country will count on service from Yale in a manner commensurate with more than

two centuries of intellectual and spiritual leadership. We must continue to develop, as I see it, as a national university. We must do so because this is the historic policy of Yale, because university training is needed to meet the requirements of our age, and because under modern conditions Yale College, the Sheffield Scientific School and the Freshman Year, our three undergraduate divisions, can attain their highest development only as part of a great university. We must continue to welcome students from all parts of the United States and from foreign countries as well, and we must continue to select our students without regard to their wealth or poverty, but solely on the basis of character and ability. In this student body we shall extend a particularly warm welcome to the sons of former Yale men.

Yale Must
Continue to
Develop as a
National
University.

From its early years Yale has conceived it to be part of her obligation as an educational institution to provide technical and graduate training for scholars and professional men. Three of our professional schools—the School of Medicine, the Divinity School and the School of Law—are, as you know, more than one hundred years old; and Yale was the first institution in the United States to confer the Ph.D. degree.

University
Training is
Needed to
Meet Require-
ments of Era.

Our present age of specialization, with its enormously complex machinery of living, calls for a more intensive development of post-graduate work than has been needed in any past era. We have made great strides in developing our professional schools to meet this situation. Our School of Law is coming to be recognized as second to none in the country; our School of Medicine has risen to front rank; and our other

professional schools are maintaining their already distinguished positions.

The Growth
of Yale
College and
the Sheffield
Scientific
School
Depends on
the Growth
of the
University.

In the future, as in the past, Yale College will be the center of the University, of which it was the forerunner. Her ideals, traditions and customs permeate the life of all our schools and will continue to do so. During the past half-century the Sheffield Scientific School has acquired an enviable position in science and engineering. These two undergraduate schools are the nucleus of our university life. To maintain Yale College and the Sheffield Scientific School at their best and to ensure them a future worthy of their past, is a major purpose in seeking increased resources. To accomplish this end we must simultaneously develop to its fullest extent the work of the University as a whole.

Under modern conditions we cannot secure the highest quality of scholarship if our faculty is confined to instruction in undergraduate subjects. Capable teachers usually desire the additional opportunity of instructing the maturer minds to be found in the Graduate School and the professional schools. Then, too, the Graduate School furnishes the training of new teachers for our own undergraduates. The supply of such new teachers is all too slender in this country and it is an inestimable privilege to have first call on the services of those who take post-graduate degrees in our own Graduate School. We cannot attract the most desirable teachers unless we have the most complete equipment for study and research. It will therefore be seen that we can provide the best education in Yale College and the Sheffield Scientific School and the Freshman Year, and they can attain their fullest development, only in so far as they belong to a great university.

Our development as a university should, in my judgment, take the direction of continuous improvement of the quality of our work rather than of indefinite increase of the number of our students and the range of our activities. All American universities have of recent years been flooded with students. Some by choice, others by compulsion, have adopted the policy of accepting all qualified candidates who apply. Having limited our attendance at Yale, we are free to devote our energies wholly to making what we have the very best. It is our belief that we can thus most effectively bring about the attainment of individual excellence on the part of our students and best foster, in their purest and most disinterested forms, scholarship, research, literature, science and the arts.

Yale's Policy
Must be to
Foster
Individual
Excellence.

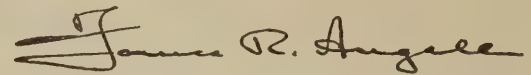
No one who is familiar with Yale's history, much less her alumni, will for a moment tolerate the idea of our following any other course. We can content ourselves with nothing less than the highest standard of educational excellence, and we must maintain our financial resources at a level which will make it possible for us to attain this standard.

The obtaining of at least twenty million dollars in gifts from our alumni and friends seems to me essential for the safeguarding of Yale's present and future welfare. Indeed, unless such further endowment is given to the University by her graduates and other friends, it will be impossible for Yale to maintain the position among the universities of the world which she has won through the active coöperation of her alumni and other supporters in the past and which all of her friends today are naturally eager to have her hold.

The unfailing support which the alumni and friends of Yale have always given upon every occasion of her need leads me

to feel the utmost confidence that, when they clearly and fully appreciate the unprecedented opportunity just before her, they will rally with enthusiasm to the task of securing the resources required for the realization of her great ideals.

Very sincerely yours,

A handwritten signature in dark ink, reading "James R. Angell". The signature is written in a cursive style with a prominent initial "J" and a long, sweeping underline.

OTTO T. BANNARD, Esq.,
Chairman, Yale Endowment Fund,
National Headquarters,
Yale Club, New York.

APPENDIX

PROPOSED ALLOCATION OF THE TWENTY MILLION DOLLAR ENDOWMENT FUND

FOR IMPROVEMENT IN UNDERGRADUATE INSTRUCTION \$12,750,000

CAREFULLY matured plans for improving still further the character and quality of the teaching of undergraduate students at Yale require substantial increases of permanent endowment in Yale College, the Sheffield Scientific School, the Freshman Year and the Graduate School, on which we rely largely for teachers in our undergraduate work. In preparing these plans the educational needs of these four divisions of the University have naturally been considered together. They could not indeed have well been wholly separated. Many of Yale's teachers give instruction in more than one school. Most of the professors in the Graduate School teach also in the College or the Scientific School, and there is now a wide interchange of instruction between the Scientific School and the College. All of these divisions or schools are increasingly dependent upon each other, to such an extent that if the Graduate School should be abolished a large part of its teachers would have to be retained in the other schools and fully one-half of the present cost of the Graduate School be borne by them in order to maintain the continuity and excellence of their educational work.

The new resources which are sought are essential in order to maintain and improve the quality of personnel of the instructional force by a more liberal recognition in salary of men of high merit and by increase of the proportion of mature and experienced teachers; to increase the number of teachers in order to carry out the policy of giving proper individual attention to the students; to add certain courses where necessary to fill evident gaps and thus to round out a consistent program of study, to improve the methods of instruction particularly by extending the use of various devices to stimulate scholarship; to strengthen the work of scholarly research on the part of the members of the staff; and to provide the facilities necessary to enable the University to perform her most effective service.

It is believed that the increased requirements of the undergraduate schools

and the Graduate School will be met by an added endowment of \$12,750,000 which might be apportioned as follows:

Yale College	\$3,750,000
Sheffield Scientific School	\$3,750,000
Endowment for University Professorships and for the Graduate School	\$2,500,000
The Freshman Year	\$1,500,000
Endowment for Undergraduate instruction in the Fine Arts and Music, and for the main- tenance and care of Yale's priceless art col- lections and of the galleries where these are housed	\$1,250,000
	\$12,750,000

FOR OTHER UNDERGRADUATE NEEDS \$500,000

IT has always been a source of satisfaction and pride to Yale men that so large a proportion of Yale undergraduates (over a third at this time) are self-supporting students, dependent wholly or in large part on their own efforts to earn the money required to meet the cost of securing a college education. Through the Bureau of Appointments these men are aided each year, not only by the award of scholarships, but also through positions obtained for them. Total student earnings reported last year amounted to over \$415,000. There is need for additional scholarship funds and also for general endowment for the Bureau of Appointments, of at least \$250,000.

Through the establishment of the Department of University Health the University has in recent years done far more than is generally realized for the care of the health of all its students, and particularly of the undergraduates. This Department has clearly demonstrated that it not only needs but deserves additional endowment of at least \$250,000. Some idea of the measure of its activity and usefulness may be gained from the mere statement that over 37,000 examinations were made by it last year.

FOR ENDOWMENT OF THE UNIVERSITY LIBRARY \$3,500,000

THE Library is Yale's greatest educational asset. Its proper development is essential if the University is to be able to call and retain the best teachers. Such development cannot be dependent upon annual gifts or yearly appropriations of fluctuating amounts, but must be assured through increased permanent endowment for the care and increase of the great collections.

The work of all schools and departments is dependent upon the character of the material in the Library and on the efficiency of the organization in making the books available for use. The needs of the Library are, therefore, really the needs of the College and of Yale's various schools, and this should be borne in mind in allocating funds that may be given for general educational purposes. The Library at the present time is undermanned and inadequately endowed. Largely increased resources are imperatively needed to provide the service required by the different schools and departments of the University. The building of the new Sterling Memorial Library will give Yale one of the greatest library buildings in the world. Its completion will of course, necessitate further additions to the corps of expert librarians, cataloguers and assistants, which under the terms of the will, cannot be provided from the Sterling bequest. The pledge by the Sterling Trustees of the entire amount required for the erection of the new Library, now estimated at \$6,500,000 and of a further sum for the maintenance of this is an epochal event in Yale's history. Yale's graduates and other friends can best evidence their appreciation of the opportunity thus given to the University by themselves now giving at least \$3,500,000 for endowment of the Library, which must have such additional resources if it is to take proper advantage of the opportunity before it.

FOR IMPROVING STILL FURTHER INSTRUCTION IN LAW,
MEDICINE, DIVINITY AND FORESTRY \$3,250,000

THE plans for the further development of these four professional schools have met with the enthusiastic approval and endorsement both of the Corporation's Committee on Educational Policy and of other interested graduates of Yale College and the Sheffield Scientific School who have been consulted. Through the proper development of these four schools, three of them over a century in age, Yale will be enabled to render national service of constantly increasing value. For such development there is urgent need of additional endowment for the improvement of instruction, for strengthening the

curriculum, for publication and library funds and for research. The University in requesting increased endowment of \$3,250,000 to meet the most immediate and pressing needs of the professional schools would not wish to have it thought that this amount will finance their complete requirements. Indeed it should be stated that the Deans of these four Schools estimate that the funds required to enable them to meet the opportunities for their greatest service would amount to far more than this sum. It is believed, however, that with \$3,250,000 the most critical needs may be met and that, as in the case of the building program, the further development of these professional schools may be provided for by special gifts and bequests.

SUMMARY OF YALE'S PRESENT MINIMUM FINANCIAL NEEDS

			\$20,000,000
Endowment for Improvement in Undergraduate Instruction:			
Yale College	.	.	\$3,750,000
Sheffield Scientific School	.	.	3,750,000
University Professorships and Graduate School	.	.	2,500,000
The Freshman Year	.	.	1,500,000
Undergraduate Instruction in the Fine Arts and Music, and for the Maintenance of Yale's Galleries	.	.	1,250,000
			<u>\$12,750,000</u>
Endowment for other Undergraduate Needs:			
Bureau of Appointments	.	.	250,000
Department of University Health	.	.	250,000
			<u>500,000</u>
Endowment for the Library	.	.	3,500,000
			3,500,000
Endowment for Improving Still Further Instruction in Law, Medicine, Divinity and Forestry			
	.	.	3,250,000
			<u>3,250,000</u>
Total			\$20,000,000

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*Printed by the Yale University Press
at the Earl Trumbull Williams Memorial
New Haven, Connecticut*